



OFFICE OF THE ATTORNEY GENERAL OF TEXAS
AUSTIN

GERALD C. MANN
ATTORNEY GENERAL

Honorable George H. Sheppard
Comptroller of Public Accounts
Austin, Texas

Dear Sir:

Opinion No. 0-4014

Re: Does the gross receipts tax
levied by Article X, H. B. 8,
on new radios apply to the
proceeds from the sale of the
entire combination set or
only to that portion repre-
sented by the sale of the
radio?

We are in receipt of your letter of September 17,
1941, which is as follows:

"Article X of House Bill 8, passed by the
Regular Session of the Forty-seventh Legislature,
levies a gross receipts tax upon the sale of
'new radios.'

"There has been considerable discussion by
this department with certain radio dealers as to
whether a combination set, that is, a radio-phonograph,
or a radio-phonograph-changer, or a radio-phonograph-
record changer-recorder should be taxed upon the
full amount received for the complete combination
or whether the tax should apply only to the amount
or proceeds received for the radio in the combina-
tion set. From the information given this depart-
ment, the set is sold as a complete unit and the
price is not broken down as to what portion of the
receipts is for the radio. A number of radio deal-
ers are contending that this tax would not accrue
on the entire proceeds. We are therefore request-
ing your opinion as to whether the tax applies to
the proceeds from the sale of the entire combina-
tion set or whether it applies only to that portion
represented by the sale of the radio."

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Upon this state of facts you submit the following question:

Does the gross receipts tax levied by Article X of House Bill 8, on new radios apply to the proceeds from the sale of the entire combination set or only to that portion represented by the sale of the radio?

Section 1, of Article 7047-1, Revised Statutes of Texas, being Article X of House Bill 8 of the 47th Legislature, provides as follows:

"Each person, partnership, association, or corporation selling at retail new radios or new cosmetics, shall make quarterly on the first days of January, April, July and October of each year, a report to the Comptroller, under oath of the owner, manager, or if a corporation, an officer thereof, showing the aggregate gross receipts from the sale of any of the above-named items for the quarter next preceding; and shall at the same time pay to the Comptroller a luxury excise tax equal to two (2) per cent of said gross receipts as shown by said report."

We note from your letter that you say, "From the information given this department, the set is sold as a complete unit and the price is not broken down as to what portion of the receipts is for the radio." This being the case it is our opinion and you are so advised that the tax levied by Section 1 of Article X of House Bill 8 should be paid on the basis of the proceeds derived from the sale of the entire combination set.

Trusting that this answers your question, we are

Yours very truly

APPROVED OCT 1, 1941

ATTORNEY GENERAL OF TEXAS

FIRST ASSISTANT
ATTORNEY GENERAL

By *Douglas E. Bergman*
Douglas E. Bergman
Assistant

DEB:ej

